

From: Tim Wright
To: Microsoft ATR
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Subject: Microsoft Judgement

Any settlement with Microsoft must include remedies to correct Microsoft's abuse of its monopoly position as well as sanctions to prevent future violations of antitrust law.

End users suffer injury from the existing monopoly because of Microsoft's effort to exclude competition of any kind in the software business. Competition is essential in any non-regulated business to provide the best quality products at the lowest prices to the end user. Microsoft's current position in software is not that much different than the position Standard Oil Company held at the turn of the 20th century.

Any settlement with Microsoft must include measures to allow competition in the software business. These measures should include allowing computer manufacturers and distributors to load other operating systems alongside MS-Windows to provide the end user with a choice. Current licensing restrictions from Microsoft prohibit this, and for anticompetitive reasons, these and similar restrictions must be struck down as unlawful.

Microsoft's offer to give away their software products to schools will actually spread the same monopoly that brought about legal action in the first case. A more appropriate action would be Microsoft providing the funding for schools to buy software of their choice. Microsoft already has a monopoly position in business application software, and allowing it to build a monopoly in the educational market will do great harm in a sector already strapped for funding.

If the Court does not break up Microsoft in the same fashion that Standard Oil and AT&T-Bell System were broken up, then other measures must be taken to allow competition back into this marketplace. The end user has been robbed of his freedom of choice, and the Court must restore freedom of choice to the software market, especially in light of the fact that the Court has established that Microsoft operates as a monopoly, and it has operated unlawfully to maintain its monopoly position.

This monopoly must either be broken up like the Standard Oil and Bell System monopolies, or regulated in the same fashion as a public utility. History has shown that the public benefited highly from breaking up monopolistic firms. The telecommunications boom would not have occurred under the old Bell System, and the energy market would be very different had Standard Oil been left intact.

Evidence exists to show that significant innovation in software products has been stifled and suppressed by Microsoft. There is currently no indication that this will stop, and for that reason, Microsoft should be split into two

or three companies: and operating system company, an applications software company, and an Internet software company. Collecting fines and compulsory donations to schools and charities has no deterrent effect against Microsoft continuing to violate the law and abuse its monopoly position.

Regards,
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